

Minutes of the meeting held on April 4, 2022

Present: Francis Murphy – Chair, James Monagle, Michael Gardner, Nadia Chamblin-Foster, John Shinkwin, Ellen Philbin, James Quirk, and Chris Burns.

The meeting was called to order at 11:10 AM. The meeting was digitally recorded. This was a hybrid meeting, held in-person in the Sheila Tobin Conference Room at 125 CambridgePark Drive, with some participants joining via Webex videoconference.

Agenda Item #1 – Minutes

Motion by Monagle, seconded by Shinkwin to accept the minutes of the investment review meeting held on March 2, 2022. Voted unanimously.

Motion by Monagle, seconded by Shinkwin to accept the regular minutes of the meeting held on March 7, 2022. Voted unanimously.

Motion by Shinkwin, seconded by Gardner to accept the executive session minutes of the meeting held on March 7, 2022. Voted unanimously.

Agenda Item #2 - Warrants

Motion by Shinkwin, seconded by Monagle to accept payment of Warrant #6 in the amount of \$8,748,964.97 and Warrant #7 in the amount of \$3,124,922.43. Voted unanimously.

Agenda Item #3 – Superannuations

Motion by Monagle, seconded by Chamblin-Foster to accept the Superannuation retirement applications submitted by Antonio Ayala, Lieutenant, Police Dept. with twenty-seven years, two months; Philip Carey, Construction Inspector, Water Dept. with forty-two years, four months; Sarah Drewicz, Patrol Officer, Police Dept. with twenty-four years, six months; Patrick Haggerty, Deputy Chief, Fire Dept. with thirty-two years; Roberta Mattos, Administrative Coordinator, Cambridge Health Alliance with thirty-six years, six months; Maria-Alice Smolka, Patient Resources Coordinator, Cambridge Health Alliance with twenty-two years, one month. Voted unanimously.

Agenda Item #4 - Make-ups/Redeposits/Liability

The Board reviewed make-up and redeposit worksheets for four members.

Motion by Monagle, seconded by Chamblin-Foster to allow the make-up of deductions requested by Kathryn K. Gillis, seven months; Nancy A. McQueeney, ten months; Melissa Rodrigues, two years, three months; and Jean M. Slavkovsky, nine months. Voted unanimously.

Agenda Item #5 – Refund Applications

The Board reviewed a list of refund applications submitted in March.

Motion by Gardner, seconded by Shinkwin to accept ten refund applications. Voted unanimously.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session the conclusion of the executive session. On a roll call, the vote was as follows:

John Shinkwin:	YES
Michael Gardner:	YES
Nadia Chamblin-Foster	YES
James Monagle:	YES
Francis Murphy:	YES

Agenda Item #6 – Accidental Disability Benefit – Eduardo Santana

The Board reviewed the certificate and narrative report of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to Eduardo Santana's Accidental Disability application. Attorney Timothy Smyth appeared before the Board and Eduardo Santana participated by phone.

Motion by Gardner, seconded by Monagle to seek clarification from the medical panel. Voted unanimously.

Agenda Item #7 – Accidental Disability Benefit – Jonathan Martins

The Board reviewed the certificate and narrative report of three separate medical exams, the member's application, treating physician's statement and employer's statement pertaining to Jonathan Martins' Accidental Disability application. Attorney Thomas Gibson appeared representing Mr. Martins.

Motion by Shinkwin, seconded by Monagle to accept the findings of the medical panel and grant Accidental Disability benefits to Jonathan Martins, a Patrol Officer in the Police Dept. Voted unanimously.

Agenda Item #8 – Cost of Living Adjustment

The Board reviewed PERAC Memos 4 and 4a.

The Director noted that the cost of a COLA was included in the last actuarial valuation.

Motion by Monagle, seconded by Shinkwin to approve a 3% cost of living adjustment for retirees, using a \$16,000 base, to be effective on July 1, 2022. Voted unanimously.

Agenda Item # 9 – Board Election

The Board reviewed a draft timetable for the conduct of an election.

Burns noted that the term for the seat currently held by Francis Murphy will end on October 1, 2022. Murphy stated that he would abstain from voting and discussion on the matter.

Motion by Shinkwin, seconded by Monagle to appoint Chris Burns as Election Officer, to conduct the election entirely by mail, and to approve the proposed schedule. The motion carried on a 4-0 vote with Murphy abstaining.

Agenda Item #10 – Annual Statement

The Board reviewed a draft of the 2021 Annual Statement.

The Director noted that the system had investment returns of 16.9% in 2021. She also called attention to an entry of \$41.9 million under Accounts Receivable. This was needed because although Lazard was terminated at the end of 2021, the funds were not returned until January 2022. Motion by Shinkwin, seconded by Monagle to approve the 2021 Annual Statement. Voted unanimously.

Agenda Item #11 – PERAC Memos

The Board reviewed PERAC Memos #9 and #10.

The Director stated that the system has adopted a policy regarding remote participation and forwarded the policy to PERAC.

Agenda Item #12 - Old Business

Monagle reported that he and Gardner toured the Emergency Communications Department and met with Christina Giacobbe, the ECC Director. He stated that the dispatchers do have responsibility to keep their equipment in working order. The Electrical Department is now responsible for maintaining fire alarms and police emergency poles. However, ECC employees sometimes assist in this process. Giacobbe is preparing written materials for further review and hopes to have this done by mid-April. Gardner stated that he hopes that the Board could take

action on the matter at the May meeting. The Chairman stated that he would like to invite Giacobbe to attend the meeting. Quirk stated that he could not predict if PERAC would require any change in group status to be retroactive. He noted that the Vernava case, currently being considered by the SJC, touches on some of the same issues around retroactivity. He stated that special legislation might be the tidiest way of protecting the employees' current Group 2 status. Gardner stated that he believes that it would be difficult to get such legislation approved.

Agenda Item #13 - New Business

Not needed.

Agenda Item #14 – Executive Session

Agenda Item #6 – requested clarification from medical panel

Agenda Item #7 – adopted

Agenda Item #15 - Chairman's Report

None offered.

Agenda Item #16 – Executive Director's Report

The Director stated that annual affidavits from retirees must be returned by April 15. Annual statements for active members will be mailed within a week.

Segal Marco posted two RFPs for International Equity and Emerging Markets Equity managers. Responses are due by April 25th.

The Director will have a conference call with KPMG to begin their audit process.

The Director noted that a recent retiree from the Water Dept, William Norton, died within thirty days of his effective retirement date. He did elect Option C prior to his retirement. However, had he opted for Option A or B, his surviving spouse would have been eligible to elect Option D instead. Gibson stated that the MWRA system is currently appealing a case with a similar fact pattern. Depending on the outcome of that case, it may be that the surviving spouse may still be eligible to collect an Option D allowance.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- PERAC Pension News – March 2022
- Segal Marco Analysis of Investment Performance – February 28, 2022
- Manager/Vendor Disclosures – Hamilton Lane Private Equity Fund VI, Hancock
Timberland and Farmland Fund, Hancock Timberland X Fund, IFM Global Infrastructure
Fund, Lazard Emerging Markets Equity Portfolio, Lexington Capital Partners VIII,
Thornton Law Firm, Wellington Emerging Markets Local Debt Fund.
- Administrative Budget 2021
- Administrative Budget 2022
- December Financials – General Ledger, Summary of Accounts, Trial Balance,
Adjustments, Cash Disbursements, Cash Receipts, Wire Transfers.

Monagle moved to adjourn at 2:40 PM.